

EXHIBIT C

Creditors' Committee Letter in Support of the Plan

August 8, 2024

Re: Terraform Labs Pte. Ltd., et al., No. 24-10070
Committee Recommendation to Accept the Chapter 11 Plan of Liquidation of Terraform Labs Pte. Ltd. and Terraform Labs Limited

To Holders of General Unsecured Claims in Class 4 and Holders of Crypto Loss Claims in Class 5 (collectively, the “General Unsecured Classes”):

McDermott Will & Emery LLP is counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 bankruptcy cases of Terraform Labs Pte. Ltd. (“TFL”) and Terraform Labs Limited (“TLL,” and together with TFL, the “Debtors”). The Committee was appointed by the Office of the United States Trustee (an arm of the United States Department of Justice) to represent the interests of general unsecured creditors, all of which are entitled to vote on the *Chapter 11 Plan of Liquidation of Terraform Labs Pte. Ltd. and Terraform Labs Limited* [Docket No. 416] (as amended, modified, or supplemented from time to time, the “Plan”).¹

The Committee has dedicated significant time to understanding the circumstances leading to the Debtors’ bankruptcy cases, negotiating with the Debtors and other parties in interest for better treatment of unsecured creditors, and representing the interests of unsecured creditors before the bankruptcy court.

**THE COMMITTEE RECOMMENDS THAT YOU VOTE TO
ACCEPT (VOTE FOR) THE PLAN.**

**THE COMMITTEE BELIEVES THAT THE PLAN PROVIDES THE BEST RECOVERY
POSSIBLE FOR UNSECURED CREDITORS UNDER THE CIRCUMSTANCES.**

**Please contact the Committee’s representatives at McDermott Will & Emery LLP
with any questions regarding our recommendation or the Plan at terraclaims@mwe.com.**

THE COMMITTEE CHOOSES THE PLAN ADMINISTRATOR. Under the Plan, the Plan Administrator will have control over the investigation and prosecution of claims and causes of action. This means that the Plan Administrator will decide who to sue and how best to maximize recovery for unsecured creditors. The Plan Administrator, subject to approval by the Court and the consent of the Advisory Board, will also determine procedures for both the reconciliation of claims and the contribution of direct claims of creditors. Additionally, the Plan Administrator will determine the best way to distribute assets to unsecured creditors. The Plan states that the Committee, subject to the consent of the U.S. Securities and Exchange Commission (the “SEC”) and the Debtors, will select the Plan Administrator. The Committee will select a Plan Administrator that will make sure that the unsecured creditors are treated fairly and endeavor to maximize creditor recoveries.

THE PLAN EMBODIES THE SEC SETTLEMENT. The Plan embodies the settlement reached by the Debtors, the SEC, and TFL’s founder, former director, and former Chief Executive Officer, Kwon Do Hyeong (“Do Kwon” and such settlement, the “SEC Settlement”), the terms of which are set forth in the *Consent of Defendant Terraform Labs Pte. Ltd.*, filed at Docket No. 271-1 in *SEC v. Terraform*

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Plan.

Labs Pte. Ltd., et al., No. 1:23-cv-013460-JSR, pending in the United States District Court for the Southern District of New York. The Committee urged the SEC to make sure that creditors are protected and that Do Kwon provides significant assets to the estate. The SEC settlement is beneficial to creditors because it requires Do Kwon to provide a significant amount of assets and stops time consuming and expensive litigation against the SEC. The SEC agreed with the Committee and decided to put creditors first by making sure that the recoveries from Do Kwon and others will be used to pay all creditors before any assets go to the U.S. government. Accordingly, the Committee believes that this global resolution is in the best interests of general unsecured creditors.

NO RELEASES FOR DO KWON OR OTHER KEY PARTICIPANTS. The Plan allows the Plan Administrator to decide to sue Do Kwon and third parties. Most plans of reorganization release a large number of parties and insiders from liability, which means that they cannot be sued by the estate. But here, the Company and the SEC substantially negotiated certain limited releases of liability and exculpation of certain professional services entities and other parties under the Plan. Importantly, Do Kwon and Luna Foundation Guard are not receiving any releases of liability under the Plan. The Plan is also not releasing any claims the estate may have against market makers, liquidity providers, joint-marketers, or many other market participants. Instead, the Plan mainly allows the Plan Administrator to decide who to sue and how best to recover assets for creditors.

ALTERNATIVES TO THE PLAN ARE NOT GOOD. The Committee believes that if the Plan is not confirmed, unsecured creditor recoveries will be diminished and certain key benefits of the Plan will be lost. In particular, the Debtors will need to expend significant resources drafting and soliciting a new Plan, and it is likely that the bankruptcy cases will convert to a chapter 7 liquidation.

YOUR VOTE IS IMPORTANT. Without your vote to accept the Plan, the Plan may not be accepted by the requisite number of creditors. Even if some general unsecured creditors vote to reject the Plan, the General Unsecured Classes will be deemed to accept the Plan if two-thirds in amount and a majority of claim holders in each class vote to accept the Plan. Accordingly, every vote counts.

The foregoing description is not intended as a substitute for the Disclosure Statement. All statements contained in this letter represent the Committee's belief, formed after a review of the relevant documents and consultation with its attorneys. Creditors should read the Disclosure Statement and the Plan in their entirety and then make their own respective independent decision as to whether the Plan is acceptable.

All filings in these chapter 11 cases, including the Plan and Disclosure Statement, can be viewed free of charge at <https://dm.epiq11.com/case/terraform>.

For these reasons, the Committee urges general unsecured creditors to vote to ACCEPT the Plan.

Very truly yours,

*The Official Committee of Unsecured
Creditors of Terraform Labs Pte. Ltd., et al.*